

## Calculation of Your Paycheck

<b>Calculate Total Gross Earnings</b> Total gross earnings are calculated using earn codes and amounts to calculate pay.		
<b>Calculate Federal and State Taxable Gross Income</b>		
	<b>Total Gross Earnings</b>  (On the paystub this is labeled "Total Gross")	Example: regular, overtime, achievement awards, compensated leave, taxable business expense reimbursements & relocation payments
less	<b>Before-Tax Deductions</b>	Example: deferred compensation, TSA, medical, dental, retirement, medical/dental expense account, parking/van pool account
less	<b>Non-Taxable Amounts</b>	Example: business expenses; non-taxed relocation payment types
plus	<b>Employer-Paid Taxable Benefits</b>	Example: basic life premiums over \$50,000, personal use of state vehicle
equals	<b>Taxable Gross Income</b>  (On the paystub this is labeled "Federal Gross")	
<b>Calculate Taxes</b> Taxes are calculated on taxable gross income. Calculations on most earnings will be made using your W-4 information and the IRS tax tables. The exception is supplemental earnings, such as overtime and retro back pay, which are taxed instead using a percentage defined by federal and state tax authorities.		
<b>Calculate Net Pay</b>		
	<b>Total Gross Earnings</b>	
less	<b>Before-Tax Deductions</b>	Example: deferred compensation, TSA, medical, dental, retirement, medical/dental expense account, parking/van pool account
less	<b>Taxes</b>	As calculated above.
less	<b>After-Tax Deductions</b>	Example: union dues, long term care insurance, disability insurance, additional life insurance
equals	<b>Net Pay</b>	